

Lava Hot Springs Foundation

Analyst: Milstead

Historical Summary

OPERATING BUDGET	FY 2006 Total App	FY 2006 Actual	FY 2007 Approp	FY 2008 Request	FY 2008 Gov Rec
BY FUND CATEGORY					
Dedicated	1,647,800	1,647,800	1,619,600	1,381,000	1,255,600
Percent Change:		0.0%	(1.7%)	(14.7%)	(22.5%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	637,300	637,300	654,600	691,200	682,300
Operating Expenditures	514,200	514,200	523,600	532,500	526,000
Capital Outlay	496,300	496,300	441,400	157,300	47,300
Total:	1,647,800	1,647,800	1,619,600	1,381,000	1,255,600
Full-Time Positions (FTP)	10.00	10.00	11.00	11.00	11.00

Division Description

Land administered by the Lava Hot Springs Foundation, consisting of 178 acres along the Portneuf River in Bannock County, was purchased from the tribal government by the Federal Government in 1902. Later that year, the Federal Government ceded the land to the State of Idaho, with the provision that the State reserve the land for public use under such regulation as the State may prescribe. The State created the Foundation to manage the land. In 1962 and 1963, severe flooding damaged the Foundation's swimming pools and hot baths. Subsequently, the Foundation implemented a rebuilding program culminating in the construction of a new swimming pool recreation complex which was dedicated in August 1969.

Idaho Code, Section 67-4401, states that all right to operate, manage, and control Lava Hot Springs is vested in the Lava Hot Springs Foundation. Such Foundation shall consist of a five member board, appointed by the Governor, on a staggered basis, for six-year terms. The Foundation employs 10 full-time people and about 40 part-time people in the summer when the large swimming pool is open. The 25-yard pool of the Olympic Swimming complex is now enclosed and operational during the winter months. The hot baths are open all year. The Lava Hot Springs Foundation is a self-sustaining financial operation with all operating revenues generated from hot baths and swimming pool entrance fees, swimsuit, towel, and locker rentals, miscellaneous merchandise sales, and lease agreements.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2007 Original Appropriation	11.00	0	1,619,600	11.00	0	1,619,600
1. Construction Projects	0.00	0	335,000	0.00	0	335,000
FY 2007 Total Appropriation	11.00	0	1,954,600	11.00	0	1,954,600
Removal of One-Time Expenditures	0.00	0	(776,400)	0.00	0	(776,400)
FY 2008 Base	11.00	0	1,178,200	11.00	0	1,178,200
Benefit Costs	0.00	0	6,300	0.00	0	0
Replacement Items	0.00	0	47,300	0.00	0	47,300
Statewide Cost Allocation	0.00	0	2,400	0.00	0	2,400
Change in Employee Compensation	0.00	0	19,400	0.00	0	27,700
FY 2008 Program Maintenance	11.00	0	1,253,600	11.00	0	1,255,600
1. Seasonal Salaries	0.00	0	17,400	0.00	0	0
2. Remodel and Parking	0.00	0	110,000	0.00	0	0
FY 2008 Total	11.00	0	1,381,000	11.00	0	1,255,600
Change from Original Appropriation	0.00	0	(238,600)	0.00	0	(364,000)
% Change from Original Appropriation			(14.7%)			(22.5%)

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2007 Original Appropriation	11.00	0	1,619,600	0	1,619,600

1. Construction Projects

The agency requests \$335,000 in spending authority to complete the demolition of old dressing rooms and to complete construction of a new pool at the hot pool facility. The dedicated funds that will be used have been generated through the sale of a parcel of ground in July 2006 and from ticket sales to the hot pools.

Agency Request	0.00	0	335,000	0	335,000
Governor's Recommendation	0.00	0	335,000	0	335,000

FY 2007 Total Appropriation					
Agency Request	11.00	0	1,954,600	0	1,954,600
Governor's Recommendation	11.00	0	1,954,600	0	1,954,600

Removal of One-Time Expenditures

Remove funding provided for one-time items.

Agency Request	0.00	0	(776,400)	0	(776,400)
Governor's Recommendation	0.00	0	(776,400)	0	(776,400)

FY 2008 Base					
Agency Request	11.00	0	1,178,200	0	1,178,200
Governor's Recommendation	11.00	0	1,178,200	0	1,178,200

Benefit Costs

Restores funding for one health insurance holiday taken in FY 2007. Also includes the employer-paid portion of estimated changes in employee benefit costs.

Agency Request	0.00	0	6,300	0	6,300
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The Governor recommends that all health insurance related adjustments be funded by program changes of utilizing reserves available in the group insurance contract. As the PERSI Board voted to maintain the current contribution rate for the upcoming fiscal year, no adjustment to retirement rates is necessary.

Governor's Recommendation	0.00	0	0	0	0
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Replacement Items

Replacement items include pool pumps (\$6,300), lawn care equipment and lawn tractor (\$16,000), and items for repairs to decks and walkways (\$25,000).

Agency Request	0.00	0	47,300	0	47,300
Governor's Recommendation	0.00	0	47,300	0	47,300

Statewide Cost Allocation

This decision unit includes adjustments for services provided by state agencies as follow: \$700 for Attorney General fees, \$500 for State Controller fees, and \$1,200 for property and casualty insurance premiums.

Agency Request	0.00	0	2,400	0	2,400
Governor's Recommendation	0.00	0	2,400	0	2,400

Change in Employee Compensation

Reflects the calculated cost of a 3.5% salary increase for permanent and group positions.

Agency Request	0.00	0	19,400	0	19,400
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The Governor recommends a compensation increase of 5% to be distributed based on merit.

Governor's Recommendation	0.00	0	27,700	0	27,700
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FY 2008 Program Maintenance					
Agency Request	11.00	0	1,253,600	0	1,253,600
Governor's Recommendation	11.00	0	1,255,600	0	1,255,600

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
1. Seasonal Salaries					
The agency requests \$17,400 in spending authority for seasonal salaries. The agency hires between 40 and 45 seasonal temporary employees and allocates pay based on a compensation schedule developed by the agency. This pay schedule has not been adjusted for many years. This request will raise the starting wage of seasonal and temporary workers to better meet market demands and attract qualified candidates.					
Agency Request	0.00	0	17,400	0	17,400
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
2. Remodel and Parking					
The agency requests \$110,000 in dedicated fund spending authority for several projects including the construction of an overflow parking lot at the Olympic Swimming Complex; paving an existing parking lot; and remodeling the customer service area of the hot pools facility. This requested spending authority will be used in conjunction with \$180,000 from the Permanent Building Fund which the Building Fund Advisory Council approved in November. [NOTE: Currently, overflow parking is on grassed areas with limited pedestrian safety and contributes to congestion and poor safety conditions].					
Agency Request	0.00	0	110,000	0	110,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2008 Total					
Agency Request	11.00	0	1,381,000	0	1,381,000
Governor's Recommendation	11.00	0	1,255,600	0	1,255,600
Agency Request					
Change from Original App	0.00	0	(238,600)	0	(238,600)
% Change from Original App	0.0%		(14.7%)		(14.7%)
<i>Governor's Recommendation</i>					
Change from Original App	0.00	0	(364,000)	0	(364,000)
% Change from Original App	0.0%		(22.5%)		(22.5%)